AMA Warns CMS' Proposed Same-Day Service Cut Could Threaten Independent Practices

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The American Medical Association (AMA) is urging CMS to drop a proposal that would cut Medicare reimbursements for when a physician provides an office visit and a procedure to the same patient on the same day.

Under the proposed 2027 Medicare Physician Fee Schedule, CMS would fully pay for the more expensive service when a physician provides an office visit and certain procedures on the same day, while cutting payment for the other service by 50%.

AMA President Willie Underwood said in an Aug. 20 viewpoint that CMS has not provided enough evidence to justify the proposed cut. He warned that it could especially hurt independent practices, which must pay for their own staff, equipment and medical supplies.

"Physicians know that a patient may come to the office with a new or worsening problem that requires evaluation, diagnosis and medical decision-making--and also need a procedure during that same visit. When those services are distinct, physicians should be paid for both," Underwood wrote. "For some services, CMS's own example shows that the proposed reduction could leave payment below these direct costs, even before accounting for the physician's role."

CMS says its proposal is intended to account for work and other resources that may overlap when a physician provides an E/M visit and a procedure on the same day. The agency has also asked whether a smaller reduction, such as 25%, would be more appropriate.

But AMA argues CMS should instead identify and revalue individual services that contain duplicative costs through its existing review process with medical specialty societies and the AMA/Specialty Society Relative Value Scale Update Committee.

CMS considered a narrower version of the policy in its 2019 physician fee schedule proposal but declined to finalize it following stakeholder opposition. AMA is asking the agency to explain what has changed since then and why the new proposal would apply more broadly.

The organization warns that reducing reimbursement could push more independent practices toward closure or consolidation and threaten patient access, particularly in rural and underserved communities.

“That is not a sustainable payment system. And it runs counter to the goal of maintaining strong independent practices and ensuring patients--particularly those in rural and underserved communities--continue to have access to care,” Underwood wrote.

“The AMA will continue advocating for CMS to withdraw this proposal and work with physicians and other stakeholders to address any genuine instances of duplicative payment through targeted, evidence-based changes,” he added.

The comment period for the proposed rule closes Sept. 14. -- *Jalen Brown* (jbrown@iwpnews.com)